Mainframe Entertainment Inc.

One of the most exciting high-tech business stories to occur in recent memory is the emergence of computer generated imagery (CGI) as a viable medium for entertainment. CGI has, over the last few years, accomplished complete integration into many areas of the entertainment industry. Today, it is seen in movies, television, video games, and both print and electronic advertising. The visual quality and three dimensional aspects of CGI animation are responsible for the dynamic look of Mainframe Entertainment's wildly popular children's television programmes ***ReBoot™*** *and* ***Beast Wars™****.*

As a world leader in computer generated animation, Mainframe Entertainment pioneered production methodologies and techniques for 3D computer animation through the development of proprietary software and production systems as well as the recruitment and development of highly trained and creative staff.

Welcome to the world of Mainframe Entertainment Inc. ...
Mainframe now employs over 160 people and has completed over 863 minutes of fully rendered CGI animation for television. To date, no other production facility has been able to handle and produce such a colossal amount of computer data on an ongoing basis for CGI-based television series'.

Mainframe's production facility and offices occupy over 40,000 square feet of work space in downtown Vancouver, Canada's gateway to the Pacific Rim. The firm is home to a dynamic combination of animators, technical and software teams, directors and producers, editors, sound technicians and production crews. "The expertise and knowledge of our teams creates a CGI product of quality content. I maintain that's the key to Mainframe's success," says CEO and President Christopher Brough.

And that content is produced at a remarkable pace. In an industry that moves almost as fast as its product, Mainframe has made groundbreaking progress, exceeding expectations of worldwide television audiences.

"Our products stand out beyond any other because we were able to maximize the technology. Our software development team has taken existing market-ready software and written add-on software; our own proprietary programming. That allows us to make maximum use of the technology and the capacity of our computing system," adds Brough.

Mainframe's technical hardware team is responsible for the design and build-out of the firm's completely digital production facility. Digital video recording and editing equipment and AVID off-line edit bays with digital router switches help process the 200,000 video frames required each week for ***ReBoot***™ or ***Beast Wars***™.

Animators currently use several models of computer workstations and software. Silicon Graphics' Onyx, Indy, Indigo Impact and Indigo Extreme

machines, and Softimage 3D software are essential elements to the production process.

Proprietary software created in-house is the big star in this firm's production process. Mainframe's lip-synch animation package, known as GRIN©, was created in 1994 by Chris Welman, Vice-President of Software Development. GRIN© allows animators to create real-time interactive lip-synch right at their work stations as it controls all aspects of facial movement of characters, allowing for more realistic expressions.

Each animator is able to type dialogue into the his/her workstation to generate mouth movements. When the results are played back in conjunction with the soundtrack, the animator can then tweak and adjust mouth movements as required to create a life-like face with all the attendant mobility and ease of expression. GRIN©, as proprietary software, has remained an integral part of Mainframe's ability to continue to stay in a fiercely competitive industry.

Continuous upgrades of computer modeling techniques ensure each television show episode is completed on a timely basis. Normal schedules allow for 8 weeks of production time on each 22 minute episode of a television series such as ***ReBoot™***. Additional processes include the creation of life-like computer generated movement without the use of motion capture, and automated slates used for production tracking. As well, real-time test animation video sequences can be viewed on any video player within the facility.

All of these processes are necessary to meet the production requirements of a 100 percent CGI animated television show. "And," Christopher Brough

hastens to add, " all of these processes have been accomplished by Mainframe without ever sacrificing visual quality."

Mainframe Entertainment's first CGI production, *ReBoot*™, debuted on ABC Television in the United States and cable network YTV in Canada in September of 1994. The show immediately began to gather a large following with a wide demographic -- children, their parents, twenty-somethings, computer aficionados and animation fans – and has remained popular, number one in its time slot in both the U.S. and Canada, through reruns from the first and second seasons. The company is now in pre-production for *ReBoot's*™ third season.

In late 1995, Mainframe agreed to produce a second completely CGI animated series, *Beast Wars*™. It took Mainframe less than four months from the series' conception to deliver the first hour of programming for broadcast. During the fall and winter 1996 television season in North America, season one of *Beast Wars*™ and the first two seasons of *ReBoot*™ are distributed by Claster Television to over 110 stations throughout the United States in its popular 'Power Block' early morning weekday programming. In Canada, the two shows are broadcast on YTV, a nation-wide cable station, where they consistently top the network's ratings for their time slots.

Mainframe has also jumped into the computer games industry with Electronic Arts Canada, a subsidiary of Electronic Arts, one of the leaders in interactive entertainment software. The companies will produce a CGI video game based on the *ReBoot*™ series. *Countdown to Chaos*©, as the game is called, is due to be released in the spring of 1997. Created for a 32 bit platform, the game will be available for Sony PlayStation™, SEGA Saturn and PC CD-ROM formats. "Electronic Arts' game programming expertise and

Mainframe's outstanding animation capabilities were a natural match. We're thrilled with this project", says Scott Speirs, Mainframe's Games Supervisor.

The IMAX Corporation, a world leader in movie ride technology, noted the unprecedented animation created by Mainframe Entertainment back in 1995. This lead to the production of two films for the IMAX® *Ridefilm*™ motion simulation system, in effect a 'virtual roller coaster'. The *ReBoot*™ rides are due for worldwide release in spring, 1997. "This is an exciting area for Mainframe to be in, and for us, its a logical next step towards the realm of feature films", says Ian Pearson, Mainframe's Vice Chairman/Executive Vice President, and the creative mind behind many of the company's projects.

In fact, Mainframe has been offered five different proposals for the production of feature films. The creative concepts vary, and include a film based on the *ReBoot*™ property. The final decision has not yet been made on which script will receive the green light first but, "feature film production is definitely where we are headed," says Pearson.

The *ReBoot*™ television series has spawned a world renowned merchandising distribution programme. *ReBoot*™ action toys generated by new physical modeling techniques that create exact replicas of the characters seen on television are now distributed internationally by Irwin Toy Limited. Various products and promotional activities have helped create a global following of loyal fans. From hats, T-shirts, calendars and children's underwear to school binders and egg cups, people in many countries are now familiar with *ReBoot*™ keepsakes.

To date, Mainframe has been recognized with no less than six awards. In 1996, the Outstanding Technical Achievement awards were presented to

Mainframe in both the Gemini and Canadian Information Processing Society competitions. *ReBoot*™ was also recognized in 1995 and 1996 as the Best Animated Series by the Gemini Awards and by the Canadian Alliance for Children and Television and has received the Special Achievement Medal at the International Digital Media Awards, part of the Toronto Film Festival.

Since 1993 Mainframe Entertainment has developed and moved forward with ideas that know no boundaries. The creative vision of originators Ian Pearson, Gavin Blair and Phil Mitchell and the entrepreneurial business sense of Christopher Brough were the seeds that helped the company to make a dream become reality. Today the executive staff includes Chief Financial Officer Mark Ralston and Chief Operating Officer Bill Drake.

In late 1996 Mainframe Entertainment bought down Alliance Communication Corporation's interest in the firm, from 50 percent to less than 15 percent. "It feels great to have our independence," smiles Brough, "and we did it in only two years, which is quite unheard of in this business."

Soon, Mainframe Entertainment Inc. will be seen as much more than just a CGI animation facility. "The company's five-year plan envisions an organization handling everything from sourcing the creative material through production of animation and live action projects," reports Christopher Brough.

Sound Bytes From The Media

"***ReBoot™*** is a 3-D roller-coaster ride unlike anything that's been shown on TV before .... there's plenty of fast-paced action, dizzying camera angles, and other eye candy to keep kids riveted." ***Wired Magazine***

"***Beast Wars™/Transformers™***, being based on already popular properties and with a toy line to boot, is a natural for Hollywood." ***Kathleen Maher, 3D Design***

"When you see ***ReBoot™***, you can't help but feeling "wow". This isn't a cartoon - it's art." ***Jeremy Bloom, Sci-Fi Entertainment***

on ***ReBoot™***: "There's nothing else like it. It's like watching a new episode of Toy Story every week, only characters and stories are much better." ***Access Magazine***

"***ReBoot™'s*** sizzling graphic effects and wry references to the rest of pop culture made it an instant hit." ***Macleans Magazine***

"Mainframe is legendary for its ability to figure out how to deliver 3D animation for a weekly show, and do it with style." ***3D Design***

"***ReBoot™*** is now influencing children worldwide and has a cult following in the U.S. where it appeals to kids, adults, and sophisticated technophiles who enjoy the high-tech jargon." ***IRIS Universe***

"The spellbinding animation of ***ReBoot™*** ... evokes a lush world of dense color and three dimensional movement." ***The Los Angeles Times***

On ***ReBoot™***: "The subtlety of the facial expressions, the nuanced play of light and shadow, the realistic textures, and the roller-coaster camerawork are truly jaw-dropping." ***The Village Voice***

"***ReBoot™***, in its modest way, is one of the most original things to pop up in a long while...ReBoot-fun for the young and the jaded alike." ***Rex Murphy, CBC Radio***

"***ReBoot™*** is the stuff of t.v. revolution..... and the storyline is equally impressive." ***Evan Soloman, FutureWorld***

On ***ReBoot™***, Mainframe:"What we have is a very successful programme and company, in terms of an export product originating in B.C.." ***Greg Rasmussen, CBC Almanac***

"Without a doubt the coolest thing being done in SF cartoons - and possibly the coolest thing happening on TV overall - is ***ReBoot™***." ***Sci-Fi Entertainment***

"With companies like Mainframe, the world of 3D graphics has opened up to new generations of artists..... and not only are they creating new worlds, they're moving into them and staying a while." ***Kathleen Maher, 3D Design***

MAINFRAME ENTERTAINMENT, INC.
INDUSTRY ACCOLADES
for
ReBoot™

- **Best Animated Program or Series**
  Gemini Awards, Canada 1995, 1996, 1997

- **Outstanding Technical Achievement Award**
  Gemini Awards, Canada 1996

- **Silver Award in Animated Category**
  Worldfest, Houston 1996

- **Technical Achievement Award**
  Canadian Information Processing Society, 1996

- **Best Animated Program**
  1995 Alliance for Children and Television

- **Accepted for competition**
  Museum of Radio & TV Children's Fest, NYC 1996-97

- **Accepted for competition**
  Banff Television Festival, Canada, 1996

- **Accepted into competition**
  Cartoons on the Bay, Italy, 1996

- **Accepted into competition**
  IMAGINA Prix-Pixel, Monaco, 1997

Award-Winning *ReBoot*™ Launches Third Season

For Immediate Release: Vancouver, August 1, 1996 -- Mainframe Entertainment Inc. is pleased to announce that its highly-acclaimed animated television series, ***ReBoot***™, will air its third season commencing in early 1997.

ReBoot™, the world's first 100% CGI animated television series, is seen globally in over 50 countries. The series invites the viewer inside the world of a personal computer to a city called Mainframe inhabited by data sprites, binomes and nefarious computer viruses. This multi-level electrical world is manipulated by an unseen character, The User, who operates the computer in which Mainframe is located. When the User decides to play a computer game, Mainframe and its inhabitants are trapped inside the unpredictable game cube where anything is possible.

Now in pre-production on the third season of the award-winning series, Christopher Brough, President of Mainframe Entertainment and Executive Producer of ***ReBoot***™, said: "We're geared up for a season full of hot new storylines, characters and animation techniques that our viewers will love and that will once again confirm Mainframe's position as the leader in its field. It's no wonder our viewers love this show; we love creating it".

Mainframe Entertainment Inc. is a Vancouver-based leader in the production of computer-generated imagery for motion pictures, television, interactive media and motion rides. Mainframe Entertainment develops and produces award-winning animation for worldwide distribution.

For more information, please contact:

Mairi Welman
Mainframe Entertainment Inc.
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Beast Wars™
series premieres with winning ratings in U.S.

New 3-D Computer Animation series
Produced by Mainframe Entertainment and Alliance Multimedia
Beats all kid's competition in majority of markets

For Immediate Release: May 27, 1996 - Vancouver, Canada -- ***Beast Wars***™, the all-new high-tech animated children's television series which previewed in 85% of the U.S. with an exciting two-part mini-series, earned impressive ratings for its world premiere in April, 1996, it was announced by Steven DeNure, President, Alliance Multimedia.

In New York, the largest US television market, ***Beast Wars***™ earned a 4.6 rating, 15 share, which marks a 21% increase in ratings and a 33% increase in share over the previous week's programming, and a 35% increase in ratings and 36% increase in share over the lead-in.

In Canada, ***Beasties***™ earned equally impressive ratings in the 30 overnight markets, averaging an increase over its lead-in in 77% of the markets and beating all competition in over 70% of the metered markets.

Beast Wars™ is the action-packed battle for control of a uniquely powerful energy source called "energon". From a distant peaceful planet populated by highly-evolved robotic beings, the ruling Maximals™ chase a renegade band of evil Predacons™ through time and space, only to crash land on a mysterious earth-like planet. The planet is so rich in energon that it causes the robot's chips to overload, forcing both groups to adapt by splicing their cybergenetic code with the DNA of indigenous animal forms. When the two sides meet, they revert to their metalloid forms to do battle. Outnumbered, the Maximals must use their skill and cunning to prevent the Predacons from acquiring enough energon to fuel their relentless drive to dominate the universe.

"***Beast Wars***™ is the next step in the evolution of 3-D computer animation for television, and confirms Mainframe Entertainment's position as the leader in the field", said DeNure.

Beast Wars™ executive producers are Christopher Brough, Steven DeNure, Stephane Reichel and Ian Pearson. Jonathan Goodwill is producer.

Mainframe Entertainment Inc. is a Vancouver-based leader in the production of computer-generated imagery for motion pictures, television, interactive media and motion rides. Creators of ***ReBoot***™, the world's first 100% CGI animated television series, Mainframe develops and produces award-winning animations for worldwide distribution.

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Alliance Multimedia is a subsidiary of Alliance Communications Corporation, a worldwide film entertainment company headquartered in Toronto with offices in Montreal, Vancouver, Paris and Shannon.

For more information, please contact:

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NEWS RELEASE

Date: September 4, 1996
Contact: Mairi Welman
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ReBoot™ / Beast Wars™
U.S. Syndication Roster Confirmed

Vancouver, B.C. -- (FOR IMMEDIATE RELEASE) Mainframe Entertainment Inc. of Vancouver, B.C. and Claster Television of the United States have confirmed the roster of U.S. television stations to pick up Claster's Power Block of programs for broadcast in the United States for the 1996/97 season. The Power Block includes Mainframe Entertainment's ***ReBoot*** ™ and ***Beast Wars™/Transformers™,*** the world's first 3D computer animated children's series. Over 110 stations across the United States have bought the shows, which will begin airing in some markets as early as mid-September 1996.

Claster Television distributes syndicated series to 85 percent of the U.S. television market.

Mainframe Entertainment Inc. produces ***ReBoot*** ™, winner of three Gemini Awards, and ***Beast Wars™/Transformers™,*** its newest 3D computer animated series, at its state-of-the-art facility in Vancouver, Canada.

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Confirmed U.S. broadcasters for the 1996/97 season are:

WPIX New York	WKBD Detroit
KCAL Los Angeles	WUPA Atlanta
WPWR Chicago	KTXH Houston
WPSG Philadelphia	KCPQ Seattle
KBHK San Fransisco	WUAB Cleveland
WLVI Boston	KMSP Minneapolis
WDCA Washington	WTOG Tampa
KTXA Dallas	WBFS Miami
KUTP Phoenix	WSMH Flint
KTTU - Tucson	WJTC Mobile
KUTP - Phoenix	WTNZ Knoxville
KWGN Denver	KSAS Wichita
WPGH Pittsburgh	KNVA Austin
KPLR St. Louis	WUPW Toledo
KTXL Sacramento	KUPN Las Vegas
WOFL Orlando	WFXR Roanoke
WNUV Baltimore	WDKY Lexington
KPDX Portland	WNYS Syracuse
WTTV Indianapolis	KFVE Honolulu
WTIC Hartford	WACY Green Bay
XETV San Diego	KDSM Des Moines
WJZY Charlotte	WUHF Rochester
WSTR Cincinnati	KPTM/KXVO Omaha
WLFL Raleigh	KSHV Shreveport
WCGV/WWTV Milwaukee	KDEB Springfield
KSMO Kansas City	KBSI Paducah
WZTV Nashville	WPXT Portland, ME.
WTTE Columbus	KTTU Tucson

KSTU Salt Lake City	WDSI Chattanooga
KABB/KRRT San Antonio	3KFXA/KFXB Cedar Rapids
WXMI Grand Rapids	WACH Columbia
WUTV Buffalo	WDBD Jackson, MS.
WTVZ Norfolk	WVNY Burlington
WNOL New Orleans	WEMT Tri Cities
WLMT Memphis	KWKT Waco
KOKH Oklahoma City	WGMB Baton Rouge
WPMT Harrisburg	KILF El Paso
WCGV/WVTV Milwaukee	WFXI Greenville, NC.
WACY Green Bay	XHFOX Harlingen
WTVX West Palm	WBNU Charleston, SC.
WGGT Greensboro	KFXK Tyler
KASA Albequerque	WPDE/WWMS Florence
WOLF Wilkes Barre	WTUH Talahassee
WDRS Louisville	KROZ Eugene
WABM Birmingham	KRXI/KAME Reno
WXXA Albany	KADN Lafayette
WRGT Dayton	KHDT Boise
WRLH Richmond	WLAX La Crossa
WAWS Jacksonville	KPEI Odessa
KAIL Fresno	WSFX Wilmington
WVAH Charleston	KYES Anchorage
KASN Little Rock	KDW Alexandria
KTFO Tulsa	XHFTX Laredo

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MAINFRAME ENTERTAINMENT, INC.
COMPANY BACKGROUNDER

Mainframe Entertainment Inc. produces computer-generated imagery (CGI) animation for television, motion pictures, interactive media and motion rides from its state-of-the-art digital production facility located in Vancouver, British Columbia, Canada.

The company has evolved from a small crew of animators in 1993 to a staff of nearly 200 today. Its first production, ***ReBoot™*** broke new ground as the world's first 100 percent CGI animated television series when it aired on networks around the world in 1993, and has since won several prestigious awards for its creative and technical innovation. ***ReBoot™*** is now in its third season of production.

Under the leadership of President and CEO Christopher Brough, Mainframe has continued to improve its technological achievements and to broaden the scope of its projects. In the spring of 1995 it announced a partnership with world games leader Electronic Arts to co-produce a real-time game based on ***ReBoot™*** Later that year, it embarked on the production of another CGI animated television series, ***Beast Wars™/Transformers™*** in association with Alliance Communications and The Hasbro Toy Group. Mainframe's most recent project is a co-production with **IMAX®** to create ***Ridefilm™*** motion simulation system films, again based on the ***ReBoot™*** storyline.

The company also develops and owns a number of proprietary software programs that enhance and accelerate animation production processes, and manages a highly successful Merchandising and Licensing program based on its properties.

Key management personnel includes:

Christopher Brough, President and CEO
Ian Pearson, Executive Vice President
Mark Ralston, Chief Financial Officer
Bill Drake, Chief Operating Officer
Chris Welman, VP Software Development
Kelly Daniels, VP Technical Operations
Glenn Griffiths, VP Production
Phil Mitchell, VP of Operations
Gavin Blair, Director of Operations
Mairi Welman, Director of Communications
Helen Chapman, Director of Merchandising & Licensing

CHRISTOPHER BROUGH
President & CEO

Chris Brough's extensive experience as a writer, producer and director of film and television projects and his specialization in animation led to him becoming an originating partner in the Mainframe team.

Chris' career in animation has included stints as Executive Producer and Director at Hanna Barbera Studios, Vice President of Motion Picture and Television at Alchemy II Productions, and Executive Producer at DIC Studios.

Chris has been responsible for many innovative, ground-breaking film and television projects over the years. He was Executive in Charge of Production on ***Imagine***, the world's first conceptual music video motion picture, which featured the music and imagery of John Lennon. He then went on to the rock feature film ***Ladies and Gentlemen, The Rolling Stones***, which covered the Stones on their hugely successful 1973 World Tour. Staying in the newly created rockumentary field, Chris then produced the feature ***Good To See You Again, Alice Cooper***, which was the first of many rock and roll films that wove concept-driven concert footage with old feature film footage - the montage rock and roll movie.

Chris' extensive experience in the TV industry also included his involvement in projects as varied as ***Skateboard Mania***, a live action multi-media spectacular and ***Sports Stop***, a series of 13 half-hour shows with live action coverage and celebrity interviews. He also worked on ***The Time, Rhythms and Rhymes,*** a prime time 60-minute black music history special and ***The Invisible Children***, a multi-award winning half-hour documentary focusing on the future of handicapped children in America. Chris has produced several feature films, including ***The Break***, starring Martin Sheen and ***Kleptomania***, starring Amy Irving and Patsy Kensit.

Chris has also been responsible for producing prime time series and animated specials. ***Teddy Ruxpin***, which Chris co-created, held six top ten positions in Billboard's Home Video charts and won a VSDA Award for the Best Non-Movie Children's Program in 1987.

Chris was Executive in Charge of Production on ***The Super Mario Bros. Supershow***, which comprised 65 half-hours of live action/animated fantasy adventures for the Viacom Syndicate and DIC Enterprises. Chris was also the sole creator of ***The Adventures of Ronald McDonald - McTreasure Island,*** which was the first of the series of McVideos, a worldwide home video television special featuring the animated antics of Ronald McDonald and his friends.

Chris was introduced to the concept for ***ReBoot™*** four years before its first airdate, a tribute to his dogged determination to make this remarkable show a televised reality. In addition to serving as President and CEO of Mainframe Entertainment Inc. Chris now serves as Executive Producer of ***ReBoot™***, currently in production for its third season, and ***Beast Wars™/Transformers™***, Mainframe's second 100% CGI animated series, released in September 1996.

IAN PEARSON

Executive Vice President

Ian Pearson started CAL Videos 3D computer graphics department in the early 1980s. As head of the department, he produced computer graphics for commercials, industrial films and sequences for the feature film ***Electric Dreams***.

On leaving CAL, Ian joined Rushes Post-Production where he was instrumental in expanding the company's graphic facility to encompass special effects compositing using the first Quantel "Harry" in Europe.

While at Rushes, Ian animated the first computer-generated characters ever seen by television audiences for the music video classic ***Money for Nothing*** by Dire Straits. He was later appointed to the Board as Creative Director.

Ian left Rushes to join a group of like-minded creative people to found the world's first fully-digital facility, The Mill, where he was named Creative and Technical Director.

Ian and The Mill parted company when he decided to devote his attention to the development of his pet project, ***ReBoot™***. During this time, Ian was animation director on the award-winning innovative music video ***Let's Get Rocked*** for Def Leppard. Much of the technology Ian used in this acclaimed video served as tests of applications that he would later perfect and use in the successful production of ***ReBoot™***, now in production for its third season, and ***Beast Wars™/Transformers™***, Mainframe's second 100% CGI animated television series.

PHIL MITCHELL

Vice President of Operations

Phil attended De Montford University in Leicestershire where he graduated with honours with a B.A. Graphics, specializing in animation, television design and film and computer assisted design.

After graduating, Phil worked as a special effects director and animator/special effects co-ordinator on commercials and title sequence design, while also storyboarding commercials.

In 1985, Phil joined Electronic Arts in London as a computer animator and worked on all in-house character animation projects with conventional animators. Among his many projects was the Smarties commercial ***Wembley Stadium,*** which went on to win the Golden Arrow at the British Advertising Awards in 1986.

Phil moved on to Array Productions in London in 1987 as a computer animator, where he worked with Dr. Gordon Clapworthy and Dr. Al Murugaiyan, of the University of Westminster Computing Department, on the CHAPS human modeling and animation system. While at Array, the Monte Carlo Imagina Pixel-INA Awards honoured him for the best computer special effects in a commercial for the Ottoman Bank's ***Tree*** commercial.

Moving on to Snapper Films in 1989 as a computer animator, Phil's award-winning projects include the widely respected commercial for Smarties, ***Classroom*** (winner CG-On-line Best Commercial, London 1989) and the ground-breaking commercial for Nintendo ***Super Mario 3*** (winner, CG On-line Best Commercial, London 1990). In March 1990, Phil was voted Best Computer Artist in Direction Magazine in London.

Phil was then taken on board by The Mill in London as a senior animator in 1991 where he was responsible for introducing the company to 2D morphing, making it the first post-production facility in London to have the technology at the time.

With Gavin Blair, Phil worked on numerous award-winning projects including Glassex's ***Clean With Care*** (winner, SpotItalia Silver Award, Milan 1991), Toblerone's ***Madame*** (winner, Silver Medal, Imagina Pixel-INA, Monte Carlo 1993), Nationwide Building Society's Doorbells (winner, BAFTA, Best Animation Effects, London 1993) and ***John Smith's Bitter*** (winner, Bronze Arrow, British Advertising Awards, London 1993).

Phil is part of the team responsible for the creation and development of ***ReBoot™***, the first 100% computer generated animation series and ***Beast Wars™/Transformers™***.

KELLY DANIELS
Vice President of Technical Operations

After four years studying Electrical Engineering and Computer Science at the University of Utah, Kelly went to work for the Robert Bosch Corporation to work with a team of engineers on the FGS-4000; the first commercially available, real-time computer graphics imaging system. His technical expertise led him to a position at Bosch headquarters in Darmstadt, West Germany where he was responsible for service, training and marketing for all of Europe, Asia and Australia.

He returned to BTS headquarters in the U.S. to act as their Graphics Product Manager for the FGS, Pixelerator, and Alias/2 computer graphics systems. He was part of the team selected to receive an Emmy Award for Outstanding Technical Achievement for the FGS product line.

Kelly designed and engineered a highly successful company in Milan, Italy. As the Technical Director of Visuals Image Processing he developed the tools and procedures necessary to help bring computer graphics into the mainstream of the traditional print market.

Kelly started on Mainframe's first project ***ReBoot™*** four years ago to help design and implement the production facility. His knowledge of computer production equipment and advanced imaging techiniques has helped establish Mainframe today as one of the world's leading producers of computer generated imagery.

With twelve years of front-line experience, Kelly is one of only a handful of uniquely qualified people capable of integrating the many diverse technologies required to produce the highly successful computer animated series, ***ReBoot™*** and ***Beast Wars™//Transformers™*** Mainframe's second 100% CGI animated television series. Kelly is also part of the team awarded the 1996 Gemini for Outstanding Technical Achievement.

GLENN GRIFFITHS
Vice President of Production

Before leaving the U.K. to join Mainframe Entertainment in 1996, Glenn Griffiths was widely regarded as one of Britain's best commercial editors. During his career there he worked for Britain's top advertising agencies including Saatchi & Saatchi, Masus Wynne Williams and J.W.T. The numerous awards he has received throughout his career are a testament to his high standing in London's post production community.

Glenn was honoured at the Cannes Festival for his editing work in 1979, and has been recognized with the TV Ad Award as well the Design and Art Direction Award for commercial editing work.

Glenn joined Mainframe in May 1996 and now holds the position of Vice President of Production, overseeing all aspects of production for the company's many projects including ***Beast Wars™/Transformers™*** season one, ***ReBoot™*** season three, the **IMAX®** *Ridefilms™*, the ***ReBoot™*** CD ROM game, and development of feature film properties.

CHRISTOPHER WELMAN

Vice President of Software Development

Chris Welman obtained his Masters Degree in Computing Science from Simon Fraser University in Burnaby, British Columbia in 1993. During his university co-op semesters he worked for Vertigo Systems International of Vancouver as a member of the team designing the V2000 3D animation system, and for Walt Disney Imagineering, under contract, to develop interactive 3D graphics software for controlling movement in animatronic robots.

After graduation in 1993, Chris joined Mainframe Entertainment Inc. as Director of Software Development and was promoted to Vice President of Software Development in June 1996. Chris's software development team has developed several proprietary programs for use in producing the first ever 3D computer animated television series ***ReBoot™*** and Mainframe's second computer animated TV series, ***Beast Wars™/Transformers™***.

W.J. (Bill) DRAKE, FCA, FCIP
Chief Operating Officer

Bill Drake joined Mainframe Entertainment as Chief Operating Officer in 1996 after 25 years experience in the public accounting sector with Ernst & Young Chartered Accountants, most recently of Toronto, Canada.

Between 1976 and 1983 he practiced primarily in corporate recovery and insolvency services with emphasis on business and financing problem resolution. Between 1983 and 1996 Bill's work was concentrated mostly on real estate holding companies and financial institutions. Bill has acted as a consultant to regulatory authorities on several occasions, including advising on proposed legislation.

Bill was elected a Fellow of the Institute of Chartered Accountants of British Columbia in 1992 and of the Canadian Insolvency Practitioners Association of 1996 in recognition of his contributions to his profession. Bill is a member of the following organizations:

- The Canadian Institute of Chartered Accountants
- Institute of Chartered Accountants of British Columbia
- Institute of Chartered Accountants of Ontario
- Vancouver Board of Trade
- The Vancouver Club

As the company's Chief Operating Officer, Bill is responsible for the day-to-day operations of Mainframe Entertainment, Inc. His experience in developing business plans for a variety of clients of differing sizes and interests allows him to bring unique talents to the company's service.

NEWS RELEASE

Date: January 14, 1997
Contact: Mairi Welman
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Mainframe Entertainment's *ReBoot™* Nominated For Gemini Award

Vancouver, B.C. -- (FOR IMMEDIATE RELEASE) Mainframe Entertainment Inc. of Vancouver was notified today that the company's cutting-edge computer animated series, ***ReBoot™***, produced in association with Alliance Communications Corp., has been nominated for a Gemini Award in the 'Best Animated Program or Series' category.

"This is the third year that ***ReBoot™***, has been recognized as a nominee for a Gemini Award," said Mainframe President and CEO Christopher Brough. "On behalf of everyone connected with ***ReBoot™***, we are excited about, and very much appreciate, receiving such recognition from our fellow Canadians in the television industry."

ReBoot™, won the Gemini for Best Animated Series in 1995 and 1996 and garnered a Gemini for Outstanding Technological Achievement in 1996 for the company's advances in computer animation.

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Mainframe Entertainment Inc. has produced two seasons of ***ReBoot***™, the world's first completely 3D computer animated half-hour TV series, and is currently in production on season three. As well, the company is finishing production of the first season of its new computer animated show ***Beast Wars***™***/Transformers***™**,** known as ***Beasties***™ in Canada**.** Both shows are consistently rated in YTV's top ten viewership in Canada and have earned consistently high Nielsen ratings in the U.S. where they are syndicated in 112 television markets by Claster Television.

The latest additions to Mainframe's product line are two ride films based on the ***ReBoot***™, franchise for the **IMAX®** ***Ridefilm*** ™ motion simulation system. Produced in association with IMAX Corporation, the pioneer and leader in giant screen and movie ride technology, the first of these rides is due for release worldwide in the Spring of 1997 and the second shortly thereafter.

Mainframe is also partnering with Electronic Arts, located in Burnaby, B.C., to produce **"Countdown to Chaos™"** an interactive video game based on the ***ReBoot***™, show. The game is scheduled for release on Sony PlayStation™ format in the summer of 1997, with versions for the SEGA game system and CD ROM releases following later this year.

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NEWS RELEASE

Date: September 23, 1996
Contact: Mairi Welman
(604) 681-3595

Vancouver-Based Mainframe Entertainment Inc. Reduces Alliance Communication Corporation's Interest in Firm

Vancouver, B.C. -- (FOR IMMEDIATE RELEASE) Mainframe Entertainment Inc. President and CEO Christopher Brough announced today that the company has successfully completed the first stage reduction of Alliance Communications Corporation's ongoing participation in Mainframe.

Mainframe has completed two private placements totaling approximately $26 million CDN, of which $17 million CDN was paid to Alliance to reduce their interest in Mainframe to approximately 15 per cent from an original 50 per cent equity interest.

As part of the transaction, Alliance effectively relinquishes all involvement in the management of Mainframe in addition to reducing its representation on the Board of Directors from 50 per cent to one seat.

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"As part of our corporate reorganization, Mainframe has extended to Alliance a conditional first look distribution arrangement which expires in just over four years," said Mainframe Vice-Chair Ian Pearson.

Mainframe is the leading-edge Vancouver-based company that has to date produced two seasons of the award-winning 3D computer animated half-hour TV series ***ReBoot™*** and is currently in pre-production for season three. As well, the company is mid-way through producing the first season of its new computer animated show ***Beast Wars™/Transformers™.***

The latest additions to Mainframe's product line are two ride films based on the ***ReBoot™*** , franchise for the **IMAX® *Ridefilm*** ™ motion simulation system. Produced in association with Imax Corporation, the pioneer and leader in giant screen and movie ride technology, the rides are due for release worldwide on the Spring of 1997.

As well, Mainframe is partnering with Electronic Arts, located in Burnaby, B.C., to produce **"Countdown to Chaos™"** a computer game based on the ***ReBoot™*** show. The game will be released on Sony PlayStation™ format in early 1997, with versions for the SEGA game system and CD ROM releases following later the same year.

Date: January 7, 1997
Contact: Mairi Welman (604) 681 3595

Mainframe Entertainment Inc. and Electronic Arts® Developing ReBoot™ Computer Game

Mainframe Entertainment Inc. and Electronic Arts® (Nasdaq:ERTS) are pleased to announce that their revolutionary new game based on ***ReBoot™*** the hugely successful television series, is due for release in 1997.

Countdown to Chaos™ is a real-time first-person perspective action game set in the imaginary computer city of Mainframe, home of the sprites, binomes and other eclectic characters that have won the hearts of adults and children around the globe. "Mainframe Entertainment and Electronic Arts Canada have worked closely for over a year now to develop an action-packed game that is both true to the ***ReBoot™*** story and revolutionary in its gameplay", said Scott Speirs, Project Leader of Mainframe's Interactive Division. "EA's game programming expertise and Mainframe's outstanding animation capabilities were a natural marriage of two technological leaders. We're thrilled with the end-product", Mr. Speirs reported.

Mainframe Entertainment Inc. is producing over 30 minutes of original ***ReBoot™*** animation for the game, while Electronic Arts is providing the real-time programming, gameplay and distribution. The companies' offices in Vancouver are connected via a high-capacity fibre optic network link.

Mainframe Entertainment Inc. is a Vancouver-based leader in the production of computer-generated imagery for motion pictures, television, interactive media and motion rides. Creators of ***ReBoot™*** the world's first 100% CGI animated television series, and ***Beast Wars™/Transformers™*** its follow-up runaway hit show, Mainframe develops and produces award-winning animations for worldwide distribution.

Electronic Arts Canada, a subsidiary of Electronic Arts, will create the first ***ReBoot***™ game for the 32-bit Sony PlayStation, Sega Saturn and PC CD-ROM for distribution in 1997. Headquartered in San Mateo, California, EA is a leading interactive entertainment software company. The company develops, publishes and distributes software worldwide for advanced entertainment systems.

For more information, please contact:

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